

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the “**Agreement**”), made as of the _____ day of _____, 2023 (the “**Effective Date**”), by and between **TOWN OF WATERFORD**, a Connecticut municipal corporation having an address of 15 Rope Ferry Road, Waterford, Connecticut 06385 (the “**Seller**”), and **LEARN**, a regional educational service center established pursuant to Section 10-66a of the Connecticut General Statutes having an address of 44 Hatchetts Hill Road, Old Lyme, Connecticut 06371 (the “**Purchaser**”).

RECITALS:

WHEREAS, Seller is the owner of certain real property measuring approximately 19.96 acres and commonly known as 51 Daniels Avenue, Waterford, Connecticut, as more particularly described on **Schedule A**, attached hereto and made a part hereof (the “**Town Property**”); and

WHEREAS, Seller desires to convey to Purchaser, and Purchaser desires to purchase from Seller, a portion of the Town Property measuring approximately 15.36 acres on which is located the building commonly known as the Southwest School and all other improvements located thereon substantially as shown on **Schedule B**, attached hereto and made a part hereof, with the exact location of the boundaries of that portion of the Town Property to be conveyed to Purchaser to be determined by Purchaser and Seller in accordance with this Agreement (the “**Property**”); and

WHEREAS, Seller desires to sell the Property to Purchaser and Purchaser desires to purchase the Property from Seller, all in the manner and in accordance with and subject to the terms and conditions set forth in this Agreement; and

WHEREAS, Seller, at its sole cost and expense, desires to obtain all subdivision (or lot division), lot line adjustment, special permit, special exception, site plan, variance and other land use approvals and permits necessary, if any, from all boards, commissions, committees, departments and governmental bodies which have jurisdiction or authority over land use and/or zoning matters related to real property located in the Town of Waterford, Connecticut (collectively, the “**Land Use Authorities**”), to separate (a) the (i) encroachments upon the Town Property by adjacent properties located along the western boundary line of the Town Property to the reasonable satisfaction of Purchaser (the “**Encroachment Area**”); (ii) area on which the existing cell tower is located on the Town Property to the reasonable satisfaction of Purchaser (the “**Cell Tower Area**”); and (iii) area where two (2) pickleball courts are to be constructed on the Town Property to the reasonable satisfaction of Purchaser (the “**Pickleball Courts**”), from (b) the Property, in compliance with all zoning, land use, subdivision and inland wetlands regulations of the Town (collectively, the “**Land Use Regulations**”).

WHEREAS, Purchaser, at its sole cost and expense, desires to obtain all land use approvals from all Land Use Authorities which are necessary for Purchaser to use the Property as described herein, including without limitation the demolition of the existing Southwest School located at the Property and the construction of a new school to be located at the Property permitting educational and/or institutional use.

WHEREAS, Purchaser acknowledges that Seller desires that the Property be developed as described herein and that Seller would not enter into this Agreement unless Seller was assured to its reasonable satisfaction that Purchaser will use reasonable efforts to take measures necessary to complete the development as described herein; provided, however, nothing herein shall obligate Purchaser to complete such development.

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. THE PROPERTY.

1.1. Description. Subject to the terms and conditions of this Agreement, and for the consideration set forth herein, Seller hereby agrees to sell, assign and convey, and Purchaser hereby agrees to purchase, assume and acquire, all of Seller's right, title and interest, if any, in and to the following (collectively, the "**Premises**"):

_____ 1.1.1. the Property;

1.1.2. all of Seller's rights, privileges, rights of way and easements appurtenant to the Property, including, without limitation, all minerals on or under the Property, development rights, air rights, and any appurtenances, easements, rights of way or other interests in, on or under the Property, all strips and gores and rights of ingress and egress thereto, all topsoil, gravel, sand, minerals, mineral rights, earth products, trees, shrubbery and landscaping, and all buildings and other improvements located thereon (collectively, the "**Appurtenances**"); and

1.1.3. all of Seller's right, title and interest in and to the fixtures, equipment, machinery and other items of tangible personal property which are owned by Seller and which are located at the Property and used in connection with the Property as of the Effective Date, subject to depletions, replacements and additions in the ordinary course of Seller's business (collectively called the "**Personal Property**").

1.2. Easement. Subject to the terms and conditions of this Agreement, and for the consideration set forth herein, immediately following Closing (as hereinafter defined) Purchaser and Seller hereby agree to grant to the other any Easements (as hereinafter defined) pursuant to the Easement Agreement (as hereinafter defined) if it is deemed reasonably necessary by Seller and Purchaser with respect to Purchaser's intended development of the Premises.

2. PURCHASE PRICE AND PAYMENT.

2.1. Purchase Price. Purchaser agrees to pay to Seller, as the total purchase price for the Premises, the sum of ONE and 00/100 DOLLAR (\$1.00) (the "**Purchase Price**"). The Purchase Price shall be payable to Seller on the Closing Date (as hereinafter defined) by

cash, certified or bank check, or by wire transfer of immediately available federal funds. There shall be no deposit.

2.2. Closing. The closing of the purchase and sale of the Premises (the "**Closing**") shall take place in escrow with the Title Company (as hereinafter defined) on or before August 1, 2024 (the "**Closing Date**").

3. INSPECTIONS AND APPROVALS.

3.1. Access to the Property. Seller shall permit Purchaser and Purchaser's agents and representatives access to the Property for the purpose of conducting such appraisals, physical inspections and environmental inspections of the Property as Purchaser shall deem necessary, in its sole and absolute discretion, to determine the feasibility of the Property for Purchaser's intended use, including without limitation: zoning inspection, the Title Report (as hereinafter defined), the Municipal Report (as hereinafter defined), survey, feasibility, financing/funding, structural, a geotechnical examination and environmental investigation of the surface and subsurface conditions of the Property (including, but not limited to, soil, groundwater, indoor air), a hazardous building materials survey, an environmental site assessment and all other matters in Purchaser's sole and absolute discretion (collectively, the "**Inspections**"). For the avoidance of doubt, Purchaser may conduct Environmental Site Assessments of the Property including Phase I, II and III Environmental Site Assessments, together with any other environmental (e.g., soil and/or groundwater) or hazardous building material sampling and testing. Before Purchaser enters the Property to perform the Inspections, Purchaser shall give Seller not less than twenty-four (24) hours prior notice and, at Seller's option, a representative of Seller may accompany Purchaser and/or Purchaser's representative. Purchaser agrees to be solely responsible for the conduct of Purchaser's representatives on and adjacent to the Property and shall assume and pay for all expenses incurred in connection with the Inspections. Purchaser agrees to return the Property to substantially the same condition and cleanliness existing before entry and/or occupation by Purchaser's representatives. Purchaser shall use reasonable efforts to minimize interference with Seller's use and occupancy of the Property and the Town Property.

3.2. Indemnification by Purchaser. Purchaser shall indemnify, defend, release and hold harmless Seller from any loss, injury, liability, damage or expense, including reasonable attorneys' fees and costs, which Seller may incur in connection with and to the extent caused by (a) any act or omission of Purchaser or its consultants, agents or representatives arising in connection with Purchaser's or Purchaser's consultants', agents' or representatives' access to the Property; (b) any tests or inspections of the Property (including without limitation the Inspections) conducted by Purchaser or its consultants, agents or representatives; and (c) the failure of Purchaser to repair, restore and replace the Property in accordance with Section 3.1; provided, however, that Purchaser shall not be required to indemnify Seller if and to the extent that any such loss, injury, liability, damage or expense was caused by the willful acts of Seller, its employees or its agents. The foregoing indemnification shall survive Closing and the delivery of the Deed, or the earlier termination of this Agreement. Furthermore, Purchaser shall, at its sole cost and expense, keep and maintain a policy of comprehensive public liability insurance with a contractual liability endorsement that covers Purchaser's indemnity obligation set forth above naming Seller as an additional insured and affording protection in limits of not less than

One Million Dollars (\$1,000,000.00) for bodily injury or death in any one accident, and not less than Two Million Dollars (\$2,000,000.00) in the aggregate, or shall cause any consultants, agents or representatives performing such Inspections at the Property on Purchaser’s behalf to carry such insurance. Purchaser may self-insure with respect to the foregoing insurance requirements in its sole and absolute discretion.

3.3. Feasibility Date. The “**Feasibility Date**” shall be the Closing Date. Notwithstanding anything in this Agreement to the contrary, Purchaser may, for any reason or no reason, terminate this Agreement, in its sole and absolute discretion, no later than the Feasibility Date by providing written notice to Seller on or prior to 5:00 p.m. Eastern Time on the Feasibility Date and, if so terminated, this Agreement shall terminate and no party shall have any further right, duty or obligation to any other party pursuant to this Agreement.

3.4. Inspection of Documents. At no cost or expense to Seller except for what may be needed for staff time, Seller will reasonably cooperate and assist Purchaser with its efforts to locate and inspect any and all non-exempt public records pertaining to the Town Property, including, without limitation, the following items, to the extent the same are in Seller’s actual possession (collectively, the “**Property Documents**”):

(a) All surveys, as built plans, and specifications for the improvements on the Town Property;

(b) All studies and reports including any Phase I, Phase II or Phase III Environmental Site Assessments, environmental reports, compliance audits, sampling data, asbestos or other hazardous building material surveys or abatement records, and any other documents, relative to any hazardous or toxic material, waste or other environmental condition contained in, under, at, on, upon or emanating from the Town Property (including without limitation all improvements located at the Town Property);

(c) All studies and reports with respect to engineering or the structural integrity of the improvements located at the Town Property, and with respect to geotechnical and/or wetlands concerning the Town Property;

(d) All easements, covenants, conditions, restrictions and other instruments, muniments and written undertakings affecting title to or the use of the Town Property;

(e) All lease documents or other agreements affecting the Town Property;

(f) All documents relating to any special use, non-conforming use or zoning variance granted with respect to all or any portion of the Town Property;

(g) All existing title insurance policies with respect to the Town Property;

(h) All orders, notices of violations, cease and desist orders,

complaints, threatened litigation, enforcements, judgments or other similar or related documents with respect to the Town Property; and

(i) Other documents affecting the ownership or use of the Town Property that Purchaser reasonably requests.

3.5. Title Commitment.

3.5.1. Purchaser, at Purchaser's sole cost and expense, shall order from a title insurance company authorized to issue policies of title insurance in the State of Connecticut reasonably acceptable to Seller (the "**Title Company**") a Commitment for Title Insurance (the "**Title Commitment**") setting forth the status of title to the Town Property and all exceptions which would appear in an Owner's Policy of Title Insurance, and specifying the Purchaser as the named insured and showing at least the estimated value of the Property as the policy amount, and, if it so desires, a municipal departmental search with respect to the Town Property (the "**Municipal Report**"). Purchaser shall notify Seller in writing of any objections to title other than the Permitted Exceptions (as hereinafter defined) which it may have no later than the Feasibility Date (the "**Title Objections**") and may notify Seller in writing of any objections to the Municipal Report (the "**Municipal Objections**"). Purchaser shall be deemed to have waived the right to object to any matter shown on the Title Commitment and not otherwise noted as a Title Objection. Seller shall have thirty (30) days from the receipt of Purchaser's notice of the Title Objections (or Additional Encumbrances, as hereinafter defined) and any Municipal Objections, during which Seller may, but shall not be obligated to, state in writing whether it intends to remedy any defect set forth in Purchaser's notice by Closing (the "**Title Response Period**"). Upon the termination of the Title Response Period, Purchaser shall either (a) accept the title Seller is able to convey without abatement, reduction or setoff against the Purchase Price; or (b) terminate this Agreement. In the event of termination by Purchaser, this Agreement shall terminate and no party shall have any further right, duty or obligation to any other party pursuant to this Agreement except as expressly stated herein. In the event Purchaser fails to notify Seller of its desire to terminate as set forth herein, Purchaser shall be deemed to have elected to accept title as set forth in clause (a) of this Section 3.5.1. The Closing Date shall be postponed, if necessary, by the number of days required to accommodate such procedures. Notwithstanding anything herein to the contrary, Seller must remove, have released and discharged of record any and all monetary encumbrances, including without limitation any and all mortgages, mechanics liens, judgment liens and tax liens which affect the Premises.

3.5.2. In the event any additional encumbrance arises after the date of the Title Commitment (the "**Additional Encumbrances**") but prior to the Closing Date of which Purchaser becomes aware, then Seller, upon written notice of such Additional Encumbrances, shall have a period not to exceed thirty (30) days following such written notice (the "**Cure Period**") to enable Seller to remove the Additional Encumbrances and Seller shall diligently use its good faith efforts to remove such Additional Encumbrances (or, at Purchaser's sole and exclusive option, provide the Title Company with such assurances as may be reasonably necessary to issue an Owner's Policy of Title Insurance insuring title to the Property without exception for such Additional Encumbrances). In the event Seller is not able to remove the Additional Encumbrances prior to the expiration of the Cure Period, then Purchaser may terminate this Agreement by notifying Seller in writing to such effect within ten (10) business

days following the expiration of the Cure Period, in which case this Agreement shall terminate and no party shall have any further right, duty or obligation to any other party pursuant to this Agreement except as expressly stated herein. If Purchaser does not so terminate this Agreement, Purchaser shall accept such title as Seller can convey without reduction in the Purchase Price. The Closing Date shall be postponed, if necessary, by the number of days required to accommodate the Cure Period.

3.5.3. It is understood and agreed that the marketability of title herein required to be conveyed by Seller shall be determined in accordance with the Standards of Title of the Connecticut Bar Association now in effect (the "**Title Standards**"). It is also agreed that any and all defects in or encumbrances against the title which come within the scope of said Title Standards, shall not constitute a valid objection on the part of Purchaser, if such Title Standards do not so provide, provided that Seller furnishes any affidavits or other instruments which may be required by the applicable Title Standards.

3.6. Permitted Exceptions. Purchaser shall accept title to the Property subject and solely limited to the following exceptions (collectively, the "**Permitted Exceptions**"):

3.6.1. Building lines if established, zoning and building regulations, and any and all provisions of any ordinance, municipal regulation or public or private law affecting the Property;

3.6.2. Real estate taxes on the current grand list and any and all existing tax payments, municipal liens or assessments coming due on or after the Closing Date which Purchaser, by acceptance of the Deed, shall assume and agree to pay any and all such tax payments, liens and assessments which may on or after the date hereof be assessed, levied against or become a lien on the Property;

3.6.3. Common law, statutory, riparian and littoral rights of others and other rights as may exist in and to any natural watercourse or body of water flowing through or adjoining the Property;

3.6.4. Public improvement assessments and/or any unpaid installments thereof which assessments and/or installments become due and payable after the date of delivery of the Deed, which assessments and/or installments Purchaser will assume and agree to pay as part of the consideration for the Deed;

3.6.5. Any matter shown on the Title Commitment and not otherwise noted as a Title Objection, subject to the terms and conditions of Section 3.5; and

3.6.6. The right of reversion and right of re-entry in favor of Seller as more particularly set forth in Section 8.3.

3.7. Land Use Matters.

3.7.1. Survey. By March 31, 2024, Purchaser, at its sole cost and expense, shall cause to be prepared an ALTA/NSPS survey of the Town Property including all easement areas, and metes and bounds legal descriptions of the Town Property, certified to,

among others, Seller, Purchaser and the Title Company, and subject to the review, comment and approval of Purchaser and the Title Company (the “**Survey**”). Purchaser may include objections to the Survey as part of its Title Objections. Purchaser and Seller shall work together in good faith and with diligence to determine the exact location of the boundaries of the Property to be conveyed to Purchaser, together with any easements which need to be granted (or reserved in the Deed) for utilities, access and the like, and any other easements deemed reasonably necessary by Seller and Purchaser as shown on such aforementioned survey (collectively, the “**Easements**”). Upon determination of the exact location of the boundaries of the Property to be conveyed to Purchaser, Seller and Purchaser shall enter into an amendment to this Agreement memorializing such exact location (the “**Property Description Amendment**”). Seller and Purchaser shall endeavor to enter into the Property Description Amendment by the date that is thirty (30) days following the receipt by Purchaser and Seller of the final approved Survey.

3.7.2. Subdivision and Property Realignment. Seller shall be responsible, at its sole cost and expense (including the costs and expenses of any appeals), for obtaining prior to April 30, 2024 (the “**Seller’s Land Use Approvals Date**”), all final subdivision (or lot division), lot line adjustment, special permit, special exception, site plan, variance and other land use approvals and permits necessary, if any, from all Land Use Authorities, to separate (a) the Encroachment Area, the Cell Tower Area and the Pickleball Courts to Purchaser’s reasonable satisfaction; from (b) the Property, in compliance with the Land Use Regulations and the Property Description Amendment (collectively, the “**Seller’s Land Use Approvals**”). In the event that any of the Encroachment Area, the Cell Tower Area and the Pickleball Courts may be separated from the Property by boundary, lot line or other forms of agreement, Seller shall be responsible, at its sole cost and expense, for preparing, negotiating, entering into and recording on the Waterford Land Records prior to the Seller’s Land Use Approvals Date all such agreements (collectively, the “**Boundary Line Agreements**”), which Boundary Line Agreements are subject to the review, comment and approval of Purchaser and the Title Company prior to their execution. Seller shall be responsible, at its sole cost and expense, for performing all civil engineering studies, drawings, boundary realignment maps and subdivision maps necessary to support all of the foregoing. Seller shall also transfer all approvals, permits, licenses and consents to Purchaser to the extent required in accordance with applicable Land Use Regulations.

3.7.3. School Construction Project. Purchaser shall be responsible, at its sole cost and expense (including the costs and expenses of any appeals), for obtaining prior to the Closing Date (the “**Purchaser’s Land Use Approvals Date**”), all special permit, special exception, site plan, variance and other land use approvals and permits necessary, if any, from all Land Use Authorities, for Purchaser to use the Premises as it intends in its sole and absolute discretion, including without limitation the demolition of the existing Southwest School located at the Property and the construction of a new school to be located at the Property permitting educational and/or institutional use (the “**Project**”), together with all permits and approvals necessary to construct the Pickleball Courts, all in compliance with the Land Use Regulations (collectively, the “**Purchaser’s Land Use Approvals**” and, together with the Seller’s Land Use Approvals, collectively, the “**Approvals**”). Purchaser shall be responsible, at its sole cost and expense, for the construction of the Pickleball Courts and for performing all civil engineering studies, surveys, drawings and maps necessary to support all of the foregoing. In the event that Purchaser has not obtained final, unappealable Purchaser’s Land Use Approvals by the

Purchaser's Land Use Approval's Date, Purchaser may, in its sole and absolute discretion, terminate this Agreement. In the event of any such termination by Purchaser, this Agreement shall terminate and no party shall have any further right, duty or obligation to any other party pursuant to this Agreement except as expressly stated herein.

3.7.4. Seller Obligations. Seller shall at all times prior to the Seller's Land Use Approvals Date diligently pursue the Seller's Land Use Approvals using all good faith efforts, including without limitation (a) submission of all information and documents required or reasonably requested by any governmental entity in accordance with established deadlines or, if none, in a timely manner; (b) payment of any and all application fees and other costs required by any governmental entity in accordance with established deadlines or, if none, in a timely manner; and (c) the retention of qualified and responsive professionals, such as engineers, consultants and attorneys, to facilitate issuance of the Seller's Land Use Approvals. Seller, at no cost or expense to Seller, shall cooperate in good faith with Purchaser in obtaining the Purchaser's Land Use Approvals, including executing on Purchaser's behalf any and all applications and consents required to be signed by Seller for Purchaser to obtain the Purchaser's Land Use Approvals.

3.7.5. Purchaser Obligations. Purchaser shall at all times prior to the Purchaser's Land Use Approvals Date diligently pursue the Purchaser's Land Use Approvals using all good faith efforts, including without limitation (a) submission of all information and documents required or reasonably requested by any governmental entity in accordance with established deadlines or, if none, in a timely manner; (b) payment of any and all application fees and other costs required by any governmental entity in accordance with established deadlines or, if none, in a timely manner; and (c) the retention of qualified and responsive professionals, such as engineers, consultants and attorneys, to facilitate issuance of the Purchaser's Land Use Approvals.

3.7.6. Appeals. Neither Seller nor Purchaser shall have any obligation to (a) appeal a denial by any governmental authority having jurisdiction over the issuance of any Approvals; (b) appeal any Approvals with conditions, exceptions and/or contingencies deemed unacceptable by either Purchaser or Seller, in their sole and absolute discretion; or (c) defend any appeal by any party whatsoever with respect to any Approvals and, notwithstanding anything herein to the contrary, in the event of any of the foregoing, Purchaser or Seller may, at any time (i) prior to the expiration of any relevant appeal period; or (ii) promptly following any such appeal by any party whatsoever, whichever is later, elect, in its sole and absolute discretion, to terminate this Agreement. In the event of any such termination, this Agreement shall terminate and no party shall have any further right, duty or obligation to any other party pursuant to this Agreement except as expressly stated herein. In the event Purchaser, Seller or any adverse party appeals the denial or award of any Approvals, such Approvals shall not be deemed to have obtained unless and until such appeal is resolved favorably to Seller with respect to Seller's Land Use Approvals or Purchaser with respect to the Purchaser's Land Use Approvals, as the case may be, by a final judgment of a court with final jurisdiction over the appeal.

3.8. Funding Contingency. Purchaser shall have until the Closing Date (the "**Funding Date**"), to obtain sufficient funding from the State of Connecticut to use the Premises as it intends in its sole and absolute discretion, including without limitation the demolition of the existing Southwest School located at the Property and the construction of a new school to be

located at the Property permitting educational and/or institutional use in accordance with the Purchaser's Land Use Approvals, by being added to the state bid list or otherwise, the terms and conditions of which shall be acceptable to Purchaser in its sole and absolute discretion (collectively, the "**Funding**"). In the event that Purchaser does not receive the Funding by the Funding Date, Purchaser may, in its sole and absolute discretion, terminate this Agreement. In the event of any such termination by Purchaser, this Agreement shall terminate and no party shall have any further right, duty or obligation to any other party pursuant to this Agreement except as expressly stated herein.

3.9. Cooperation. At no cost or expense to Seller, Seller shall cooperate reasonably with Purchaser in satisfying the Inspections, the Purchaser's Land Use Approvals and the Funding.

3.10. Project Feasibility. Notwithstanding anything in this Agreement to the contrary, if Purchaser, in its sole discretion, shall determine that the use of the Premises as contemplated by Purchaser is not feasible for any reason, including without limitation the configuration of the Premises, the availability of utilities with adequate capacity and other support services at the Premises, the resistance of governmental authorities having jurisdiction or other parties to the proposed use of the Premises, or any other reason which, in the opinion of Purchaser, should cause this Agreement to be terminated by Purchaser, rather than prolonging Purchaser's control of the Premises, Purchaser may notify Seller of its determination to terminate this Agreement in writing, in which event this Agreement shall terminate and thereafter neither party shall have any further rights or obligations hereunder except for those provisions which expressly survive the termination of this Agreement. This contingency is for the benefit of Purchaser and may be waived by Purchaser in its sole discretion.

4. SELLER'S OBLIGATIONS PRIOR TO CLOSING. Until Closing, Seller covenants and agrees to the following:

4.1. Insurance. Seller shall keep the Premises insured in reasonable amounts against fire and other hazards and comprehensive public liability insurance against claims for bodily injury, death and property damage occurring in, on or about the Premises; such insurance policies shall be on an occurrence basis.

4.2. Waste. Purchaser acknowledges that the Property contains a closed school building that is in a deteriorating condition that includes the peeling of lead paint and the break-up of asbestos-containing materials such that the same have become friable. In addition, Purchaser acknowledges that the physical aspects of the building, in such a deteriorated condition and state, may, in whole or in part, collapse or worsen during the course of this Agreement. Purchaser agrees that Seller shall have no obligation whatsoever under this Agreement to take any mitigation or remediation measures to repair, stop or retard this deterioration nor the condition as it is at of the date of this Agreement or as it will be as of the date of Closing. Except as may be disposed or deposited on the Property or within the buildings through the said deterioration, Seller will not dispose of any trash, vehicles, debris, building materials or hazardous materials on the Property.

4.3. Taxes and Payments. Seller shall continue to pay all taxes (if applicable) and mortgage payments (if applicable) with respect to the Premises as and when the same are due and, at Closing, there shall be no unpaid bills or claims which may give rise to a lien against the Premises or be binding upon Purchaser.

4.4. No Transfers. Seller shall not (a) further encumber, or give, grant or convey or modify any easements, leases, licenses or other direct or indirect interests in and to, the Premises or Seller's rights and obligations therein or under this Agreement nor permit the same to occur; and (b) hereafter sell or otherwise transfer any direct or indirect interest in the Premises or this Agreement, and shall not enter into any agreements with respect to the Premises which shall remain binding on the Premises after Closing except as permitted pursuant to this Agreement. Except for this Agreement, all contracts and agreements relative to the Premises shall be terminated by Seller at or prior to Closing.

4.5. Continued Accuracy of Representations. Seller shall take no action nor cause to permit any action which may alter the continued complete accuracy of Seller's representations and warranties as contained herein throughout the term hereof. Seller shall take all actions, at its sole cost and expense, to maintain the continuing truth and accuracy of Seller's representations and warranties contained herein.

4.6. Notice of Changed Circumstances. Seller shall promptly advise Purchaser of any changed circumstances with respect to the Premises including, without limitation, every (a) rezoning of the Town Property or proposal to do so; (b) actual or threatened taking or condemnation or all or any portion of the Town Property; (c) actual or threatened enforcement action by any party whatsoever; (d) actual or threatened lien against title to the Town Property; and (e) change in circumstances that would alter any of Seller's continuing representations, warranties or covenants herein contained.

4.7. UST Closure and Removal. Seller shall close or provide Purchaser with proof of closure of the UST Notices of Violation from the Connecticut Department of Energy and Environmental Protection (CTDEEP) dated February 14, 2018, for (a) failure to comply with annual testing of the cathodic protection system (NOVUST-GB18-0018); and (b) failure to provide updated registration information (NOVUST-GB18-0022) (collectively, the "**Known UST NOV's**"), in accordance with CTDEEP guidance and regulations.

5. **REPRESENTATIONS AND WARRANTIES.**

5.1. By Seller. Seller represents and warrants to Purchaser as of the Effective Date that:

5.1.1. Seller is a validly existing municipal corporation duly organized under the laws of the State of Connecticut.

5.1.2. Seller has taken all requisite action and obtained all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced herein or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations required hereunder, and no consent of any other party is required for the performance by Seller of its obligations hereunder.

5.1.3. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be, duly authorized, executed and delivered by Seller.

5.1.4. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be, valid and legally binding upon Seller and enforceable in accordance with their respective terms.

5.1.5. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby does now constitute or shall result in a breach of, or a default under, any agreement, document, instrument or other obligation to which Seller is a party or by which Seller may be bound, or any law, statute, ordinance, rule, governmental regulation or any writ, injunction, order or decree of any court or governmental body, applicable to Seller or to the Premises.

5.1.6. No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy law is pending against or contemplated by Seller.

5.1.7. There are no actions, suits, claims or other proceedings pending or contemplated or threatened against Seller that could affect Seller's ability to perform its obligations when and as required under the terms of this Agreement.

5.1.8. Seller is the sole owner of the Premises and has not transferred all or any portion of the air or other development rights appurtenant to the Premises.

5.1.9. Except for the matters of record disclosed in the Title Commitment, Seller has good and marketable, indefeasible, absolute fee simple title to the Premises free and clear of all defects, security interests, liens, encumbrances, easements, covenants, restrictions, reservations, conditions, encroachments and any other matters or defects whatsoever.

5.1.10. Neither the Premises nor any part thereof is subject to any purchase contract, option, lease or occupancy arrangement, management agreement, construction contract, tax agreement, governmental agreements, development agreements, or other contract or arrangement.

5.1.11. There are no commitments or agreements with respect to the Premises which would require Purchaser to pay any money or perform any obligation or which would otherwise affect the ownership or development of the Premises.

5.1.12. There are no unrecorded development or use restrictions with respect to the Premises.

5.1.13. The parties agree that neither the Premises nor any business currently or formerly located thereon is an "establishment" as such term is defined in the Connecticut Transfer Act, Conn. Gen. Stat. §§ 22a-134 et seq. (Transfer Act). A Phase I Site Assessment and establishment evaluation report prepared by Fuss & O'Neill, dated [[REDACTED]]

]]¹ (“**F&O Phase I**”) concluded that neither the Premises nor any business currently or formerly located thereon is an “establishment.” If it is later determined the premises or any business located thereon was an “establishment” prior to Closing, then Purchaser either (i) will sign as the Certifying Party as defined by the Transfer Act and Seller agrees to cooperate in good faith with any retroactive filings, or (ii) elect to allow the Property to revert back to Seller in accordance with Section 8.3.

5.1.14. Other than the underground storage tanks associated with the Known UST NOV^s, no active or abandoned aboveground or underground storage tanks exist at, on, upon or under the Premises.

5.1.15. Except as disclosed herein, Seller has not received any written notice of and has no actual knowledge of pending or threatened litigation, action, suit, proceeding or investigation (by any person, any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality or otherwise) affecting the ownership, use, occupancy, value, operation or title of the Premises, or any part thereof, or the consummation of the sale to Purchaser pursuant hereto, and there is no tax appeal by Seller pending with respect to the Premises.

5.1.16. Seller has no knowledge of any pending public agency (including but not limited to planning, zoning, inland wetlands, etc.) hearings or appeals therefrom concerning the Premises, and Seller shall promptly notify Purchaser in writing if Seller receives notice or learns of any such hearings on and after the Effective Date.

5.1.17. Seller is not a foreign person as defined in 26 U.S.C. Section 1445(f)(3).

5.1.18. There are no special assessments levied or to be levied against the Premises which are not yet a lien upon the Premises, and Seller has received no written notice and has no actual knowledge of any existing improvements or work done at the Premises which may result in special taxes or assessments to be paid thereon.

5.1.19. The Property abuts a public highway or is to be conveyed together with a permanent right of way or easement to a public highway.

5.1.20. Except for this Agreement, there are no outstanding contracts between Seller and any other person with respect to the sale of all or any portion of the Premises.

The representations and warranties made in this Section 5.1 shall be true and complete at Closing and shall not survive the Closing. If, prior to the Closing, Purchaser receives written notice or obtains actual knowledge that any such representations or warranties made by Seller are untrue, inaccurate or incorrect in any material respect, Purchaser shall give Seller prompt written notice thereof prior to the Closing. Notwithstanding anything herein to the contrary, if Seller discloses or Purchaser discovers a change in a condition with respect to the Premises or the occurrence of any event or circumstance that, in each instance, makes any representation or warranty of Seller to Purchaser set forth in this Section 5.1 materially untrue or misleading and

¹ S&G NTD: To be dated prior to contract signing.

consequently such occurrence or circumstance could have a material and adverse effect on Purchaser's ownership of the Premises, then, in such event, Purchaser shall be entitled to adjourn the Closing for up to thirty (30) days to provide Seller with time within which to cure same. If Seller fails to cure any such misrepresentation of Seller that is known to be materially untrue or misleading prior to the Closing Date, then Purchaser, as its sole remedy for any and all such materially untrue or misleading representations or warranties, of which Purchaser has obtained actual knowledge prior to the Closing Date, shall elect either (a) to waive such misrepresentations or breaches of representations and/or warranties and consummate the transactions contemplated hereunder without any reduction of or credit against the Purchase Price, or (b) terminate this Agreement by written notice given to Seller on or before the Closing Date, in which event this Agreement shall terminate, and thereafter neither party shall have any further rights or obligations hereunder except for those provisions which expressly survive the termination of this Agreement.

5.2. By Purchaser. Purchaser represents and warrants to Seller as of the Effective Date that:

5.2.1. Purchaser is a validly existing regional educational service center duly organized under the laws of the State of Connecticut;

5.2.2. Purchaser has taken all requisite action and obtained all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced herein or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations required hereunder, and no consent of any other party is required for the performance by Purchaser of its obligations hereunder;

5.2.3. this Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, duly authorized, executed and delivered by Purchaser;

5.2.4. this Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, valid and legally binding upon Purchaser and enforceable in accordance with their respective terms;

5.2.5. neither the execution of this Agreement nor the consummation of the transactions contemplated hereby does now constitute or shall result in a breach of, or a default under, any agreement, document, instrument or other obligation to which Purchaser is a party or by which Purchaser may be bound, or any law, statute, ordinance, rule, governmental regulation or any writ, injunction, order or decree of any court or governmental body, applicable to Purchaser or to the Premises;

5.2.6. no petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy law is pending against or contemplated by Purchaser; and

5.2.7. there are no actions, suits, claims or other proceedings pending or contemplated or threatened against Purchaser that could affect the Purchaser's ability to perform its obligations when and as required under the terms of this Agreement.

The representations made by Purchaser in this Section 5.2 shall not survive Closing.

5.3. Broker. Purchaser represents that it has not engaged, on its behalf, any broker in connection with this Agreement for the purchase of the Premises. Seller represents and warrants that it has not engaged, on its behalf, any broker in connection with this Agreement for the purchase of the Premises. Seller shall be responsible for any and all brokerage fees, costs and expenses with respect to the transactions contemplated by the terms of this Agreement, and shall indemnify, defend and hold Purchaser free and harmless from any and all losses, damages, costs and expenses (including reasonable attorneys' fees) that Purchaser or Seller, as the case may be, may suffer as a result of any claim or suit brought by any broker arising out of or in connection with the transactions contemplated by the terms of this Agreement. This Section 5.3 shall survive the delivery of the Deed and the Closing.

5.4. Property Condition. PURCHASER ACCEPTS AND AGREES THAT PURCHASER IS PURCHASING THE PREMISES BASED SOLELY UPON PURCHASER'S OWN INDEPENDENT INVESTIGATIONS, EXAMINATIONS, DETERMINATIONS AND FINDINGS, INCLUDING WITHOUT LIMITATION THE INSPECTIONS, AS PURCHASER HAS CHOSEN TO MAKE OR HAS MADE OR NOT, AND NOT IN RELIANCE UPON ANY INFORMATION PROVIDED BY SELLER OR SELLER'S AGENTS OR CONTRACTORS. PURCHASER ACCEPTS AND AGREES THAT SELLER HAS AND WILL AFFORD PURCHASER THE OPPORTUNITY FOR FULL AND COMPLETE INVESTIGATIONS, EXAMINATIONS AND INSPECTIONS OF THE PREMISES PRIOR TO THE FEASIBILITY DATE. PURCHASER SPECIFICALLY ACKNOWLEDGES THAT SELLER IS SELLING, AND PURCHASER IS PURCHASING, THE PREMISES ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT IN CLOSING AND ACCEPTING TITLE PURCHASER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM THE TOWN, ITS AGENTS, OFFICIALS, EMPLOYEES OR BROKERS AS TO ANY MATTERS CONCERNING THE PREMISES, INCLUDING WITHOUT LIMITATION: (i) the quality, nature, adequacy and physical condition of the Premises, including, but not limited to, the appurtenances, access, landscaping, and parking facilities, (ii) the quality, nature adequacy, and physical condition of soils, geology and any groundwater, (iii) the existence, quality, nature, adequacy and physical condition of utilities serving the Premises, (iv) the development potential of the Premises, and the Premises' use, habitability, merchantability, or fitness, suitability, value or adequacy of the Premises for any particular purpose, (v) the zoning or other legal status of the Premises or any other public or private restrictions on use of the Premises, (vi) the compliance of the Premises or its compliance with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity, (vii) the presence or removal of hazardous or toxic materials, substances or wastes on, under or about the Premises or the adjoining or neighboring property; (viii) the quality of any labor and materials used in any improvements on the Premises, (ix) leases, service contracts, or other contracts affecting the Premises, if any, and (x) the economic expectations of the Premises.

5.5. Environmental Indemnity. Purchaser shall release, indemnify, and hold harmless Seller and its officials, employees and related municipal entities (the “**Seller Indemnified Parties**”) from and against any and all claims, causes of action, damages, losses, costs and expenses to the extent caused by, related to or arising out of the demolition of the improvements upon the Property, specifically including abatement and proper disposal and reporting of hazardous building materials in accordance with applicable laws except to the extent caused by, related to or arising out of: (a) the willful misconduct of the Seller Indemnified Parties; (b) breach of this Agreement by the Seller Indemnified Parties; or (c) arising out of third-party bodily injury occurring prior to Closing. The foregoing indemnification shall not include indemnification from, for or with respect to consequential or punitive damages.

5.6. Possession. Subject to deterioration as set forth in Paragraph 4.2 hereof, Seller shall deliver exclusive possession of the Premises to Purchaser, or its permitted assignee, at Closing, in its “AS IS” condition as of the Effective Date subject to reasonable wear and tear and casualty or condemnation as set forth herein, with no party other than Purchaser having any possessory rights thereto and with all items within the Premises removed other than the Personal Property.

5.7. Mortgages and Liens. Except with respect to the Funding, Purchaser agrees that any and all mortgages and liens placed upon the Property (for the avoidance of doubt, other than with respect to the Funding), and the monies so secured by said mortgages and liens, shall be used exclusively towards the Project and the Pickleball Courts or as otherwise contemplated in this Agreement, and shall not be used for any other project or development of the Purchaser.

6. CLOSING COSTS AND PRORATIONS.

6.1. Seller’s Costs. Seller shall be liable for all of Seller’s costs and expenses arising out of or in connection with the transactions contemplated by this Agreement, including, without limitation, (i) all real property, transfer and conveyance taxes with respect to the Property, if any; (ii) the cost to record any releases or similar documents required to satisfy the requirements of Section 3.5; (iii) Seller’s legal fees incurred in connection with the sale of the Premises under this Agreement; and (iv) all fees and costs to receive the Seller’s Land Use Approvals.

6.2. Purchaser’s Costs. Purchaser shall be liable for all of Purchaser’s costs and expenses arising out of or in connection with the transactions contemplated by this Agreement, including, without limitation, (i) the cost to record the Deed in the Waterford Land Records; (ii) Purchaser’s legal fees incurred in connection with the purchase of the Premises under this Agreement; (iii) all fees and costs to satisfy the Inspections; (iv) all fees and costs to receive the Purchaser’s Land Use Approvals; and (v) the cost of any and all searches and examinations of title to the Premises and title insurance policies relating thereto.

6.3. Adjustments and Prorations. Adjustment of real property taxes, sewer, and other charges shall be made as of the Closing Date in accordance with the prevailing practices and closing customs of the New London County Bar Association.

7. **CLOSING AND ESCROW.**

7.1. Seller's Deliveries. Seller shall deliver at Closing the following original documents, each executed and, if required, witnessed and acknowledged in accordance with applicable law:

7.1.1. a limited warranty deed conveying to Purchaser the Property substantially in the form attached hereto as **Schedule C** (the "**Deed**");

7.1.2. if applicable, an easement agreement as reasonably agreed to by Purchaser and Seller with respect to the Easements (the "**Easement Agreement**");

7.1.3. state and municipal conveyance tax forms together with, if applicable, funds sufficient to pay all state and municipal conveyance taxes for the transactions contemplated by the terms of this Agreement, if applicable;

7.1.4. affidavits customarily required by title insurance companies in the State of Connecticut for the issuing of title insurance;

7.1.5. affidavits of Seller certifying that Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended;

7.1.6. a bill of sale transferring to Purchaser all of Seller's right, title and interest in and to any Personal Property located at the Property, as reasonably agreed to by Purchaser and Seller (the "**Bill of Sale**");

7.1.7. a certificate that all representations and warranties of Seller set forth in Section 5.1 are true and complete in all material respects as of the Closing Date (or describing in what respects the same are not so true) in the form attached hereto as **Schedule D**;

7.1.8. all keys (that are clearly marked indicating which door the key is for) and alarm codes, if any, which Seller has to the Property;

7.1.9. an agreed upon closing and proration statement (the "**Closing Statement**");

7.1.10. evidence of Seller's authority, and the authority of the person executing any documents at Closing on behalf of Seller, acceptable to Purchaser and to the Title Company, to enter into the transactions contemplated by this Agreement;

7.1.11. a copy of an executed IRS Form 1099-S, if applicable; and

7.1.12. such other documents, certificates and other instruments as may be reasonably required to consummate the transactions contemplated hereby.

7.2. Purchaser's Deliveries. Purchaser shall deliver at Closing the Purchase Price, plus or minus prorations and adjustments as provided in this Agreement, along with the

following original documents, each executed and, if required, witnessed and acknowledged in accordance with applicable law:

7.2.1. if applicable, a fully executed counterpart of the Easement Agreement;

7.2.2. a fully executed counterpart of the Bill of Sale;

7.2.3. a certificate that all representations and warranties of Purchaser set forth in Section 5.2 are true and complete in all material respects as of the Closing Date (or describing in what respects the same are not so true) in the form attached hereto as **Schedule E**;

7.2.4. a fully executed counterpart of the Closing Statement;

7.2.5. evidence of Purchaser's authority, and the authority of the person executing any documents at Closing on behalf of Purchaser, acceptable to Seller and to the Title Company, to enter into the transactions contemplated by this Agreement; and

7.2.6. such other documents, certificates and other instruments as may be reasonably required to consummate the transactions contemplated hereby.

8. DEFAULT AND REMEDIES.

8.1. **Seller Default.** In the event Seller shall: (a) fail to sell, transfer and assign the Premises to Purchaser in violation of the terms of this Agreement; or (b) fail to perform any other material obligation of Seller pursuant to this Agreement; or (c) intentionally breach any representation, warranty or covenant made or granted by Seller pursuant to this Agreement, which breach is not cured by the Closing Date, Purchaser shall as its sole and exclusive remedy, be entitled to either: (i) terminate this Agreement by written notice given to Seller on or before the Closing Date, in which event this Agreement shall terminate and Seller shall promptly pay to Purchaser all actual, out-of-pocket expenses of Purchaser in connection with this Agreement, its Inspections and the transactions and other actions contemplated herein not to exceed the sum of \$250,000.00, and thereafter neither party shall have any further rights or obligations hereunder except for those provisions which expressly survive the termination of this Agreement; or (ii) seek an action of specific performance provided Purchaser fulfills its obligations hereunder and tenders to Seller the consideration mentioned herein. If Purchaser does not duly notify Seller of the default, or does not give Seller a written notice of termination hereunder by Closing, then the default shall be treated as waived by the Purchaser and, at Closing, Purchaser shall accept the Premises subject to the default and without any claims against Seller on account of the default.

8.2. **Purchaser Default.** If Purchaser is in default of one or more of Purchaser's obligations under this Agreement other than a failure to timely close (for which there will be no notice or cure period), then Seller may give notice to Purchaser specifying the nature of the default. Purchaser shall have thirty (30) days after receiving such notice, but in no event beyond the Closing Date, within which to cure such default. If Purchaser fails to cure such default within such period, then Seller's sole remedy for such default shall be to terminate this Agreement by giving notice of such termination to Purchaser. Notwithstanding anything contained herein to the contrary, the foregoing shall be in addition to, and not in limitation of,

Seller's rights and remedies in connection with any of Purchaser's indemnity or other obligations under this Agreement which are specifically stated to survive the termination hereof.

8.3. Revesting Title in Seller Subsequent to Conveyance to Purchaser. In the event that, subsequent to the conveyance of the Premises to Purchaser, (a) subject to any delay caused by Seller, Purchaser (or its successor in interest) shall fail to commence construction of the Project within one (1) year after the Closing Date or substantially complete the construction of the Project within six (6) years after the Closing Date (the "**Purchaser Construction Period**"), or shall abandon or substantially suspend construction work on the Project, and any such failure, abandonment, or suspension shall not be cured, ended or remedied within six (6) months (or one (1) year if such failure, abandonment, or suspension is with respect to the date for substantial completion of the Project) following written demand by Seller to Purchaser so to do; or (b) Purchaser (or its successor in interest) shall suffer any mechanic's lien that has not been bonded, removed or discharged, or provision satisfactory to Seller made for such payment, bond, removal, or discharge, within ninety (90) days after written demand by Seller to Purchaser so to do, unless the same is being disputed by Purchaser; or (c) there is any transfer of the Property or any part thereof by Purchaser (except with respect to an entity wholly owned and controlled by Purchaser or to any successor governmental or quasi-governmental entity as determined by the Connecticut General Assembly) and such violation shall not be cured within ninety (90) days after written demand by Seller to the Purchaser, then, in any such event, Seller shall have the right to re-enter and take possession of the Property and to terminate (and re-vest in Seller) the estate conveyed by the Deed, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to Purchaser shall be made upon, and that the Deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by Purchaser as specified in this Section 8.3, the failure of which on the part of Purchaser to remedy, end, or abrogate within the period and the manner stated in this Section 8.3, Seller, at its option, may declare a termination in favor of Seller of the title, and of all the rights and interests in and to the Property conveyed by the Deed, and that such title and all rights and interests of Purchaser (or its successor in interest) in and to the Property shall revert to Seller (and all obligations of Purchaser pursuant to this Agreement, including without limitation all indemnification obligations, shall expire, terminate, cease and be of no further force or effect); provided, however, that, if, upon the expiration of the Purchaser Construction Period, Purchaser is diligently pursuing the substantial completion of the construction of the Project and has expended at least the sum of Two Million Dollars (\$2,000,000.00) in connection with the Project, the Purchaser Construction Period shall be extended to a date as reasonably agreed to by Purchaser and Seller to permit Purchaser to substantially complete construction of the Project. Any such re-vesting of title in Seller shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way, any bona fide mortgage affecting the Property. Notwithstanding anything in this Section 8.3 to the contrary, upon substantial completion of construction as aforesaid, Seller shall execute and deliver a statutory form quitclaim deed conveying all right, title and interest in and to the Property to Purchaser free and clear of all such re-entry and reversionary interests as set forth in this Section 8.3. This Section 8.3 shall survive the delivery of the Deed.

8.4. Termination. Upon any termination of this Agreement pursuant to any right of a party to terminate set forth in this Agreement, (a) all documents shall be returned by each to the party that delivered the same; and (b) all copies of all Property Documents provided

to Purchaser by Seller shall be returned to Seller, whereupon the parties will have no continuing liability to each other unless otherwise expressly stated in any provision of this Agreement.

8.5. Attorneys' Fees. Notwithstanding anything to the contrary in this Agreement, in the event that either Seller or Purchaser, as the case may be, shall bring a lawsuit against the other party for breach of such party's obligations under this Agreement (including without limitation pursuant to Section 5.1), the losing party shall pay the prevailing party's costs and expenses incurred in connection with such litigation, including without limitation reasonable attorneys' fees. The prevailing party shall be determined by the court hearing such matter.

9. CONDEMNATION. If, prior to the Closing, all or any portion of the Premises is taken by eminent domain, Purchaser shall have the option to either (a) elect to terminate this Agreement; or (b) to purchase the Premises subject to such action, without reduction in the Purchase Price, but with an assignment from Seller of all proceeds received or to be received because of such action and otherwise in accordance with the terms and provisions of this Agreement. Upon receipt of any notice of such taking or condemnation, Seller shall immediately provide to Purchaser a complete copy of any such notice or motion or other correspondence received by Seller from the applicable taking authority. Purchaser shall give written notice to Seller of any election pursuant to this Section 9 within fifteen (15) business days following the actual receipt by Purchaser of any written notice from Seller of such taking or proposed taking. Failure of Purchaser to make such election within said period shall be deemed an election to proceed to Closing.

10. RISK OF LOSS. Seller shall bear the risk of all loss or damage to the Premises from all causes prior to the Closing. In the event that, prior to the Closing, the Premises shall suffer any fire or casualty or any injury beyond ordinary wear and tear, Seller shall immediately notify Purchaser, and if the damage caused thereby is in excess of \$50,000.00, Purchaser shall have the option of either (a) terminating this Agreement by providing Seller with written notice thereof, whereupon this Agreement shall be null and void except as otherwise expressly provided in this Agreement; or (b) consummating the transaction contemplated hereunder without reduction of the Purchase Price and Purchaser shall be entitled to any insurance proceeds recovered by Seller with respect to the Premises on account of such damage together with an amount equal to the deductible under the policies of insurance, less any amount actually expended by Seller for repair of the damage. In the event any damage is not in excess of \$50,000.00, the transaction hereunder shall be consummated without reduction in the Purchase Price and Purchaser shall be entitled to any insurance proceeds recovered by Seller with respect to the Premises on account of such damage plus an amount equal to the lesser of (i) any insurance deductible amount; and (ii) the cost of such repairs not previously paid for by Seller as reasonably estimated by Seller, less the amount, if any, actually expended by Seller for repair of the damage. In the event the transaction is consummated pursuant to the terms of this Section 10, at Closing, Seller shall provide Purchaser with a written assignment of its interests in and to such insurance policy and proceeds.

11. NOTICES. Any notice required or permitted to be given hereunder may be served by a party or its attorney and must be in writing and shall be deemed to be given (a) when hand delivered; or (b) one (1) business day after pickup for overnight delivery by Federal Express or another similar overnight express service; or (c) three (3) days after notice is

delivered or mailed by registered or certified mail, postage prepaid, return receipt requested; or (d) transmitted by signed email attachment (e.g. “.pdf” or “.tif”) delivery of which shall be deemed given upon receipt by the intended recipient confirmed back to the transmitting party by either a “delivery receipt” or “read receipt”, in any case addressed to the parties at their respective addresses set forth below:

If to Seller: Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
Attn.: Robert J. Brule, First Selectman
Email: rbrule@waterfordct.org

With copy to: Suisman, Shapiro, Wool, Brennan,
Gray & Greenberg, P.C.
20 South Anguilla Road
P.O. Box 1445
Pawcatuck, CT 06379
Attn.: Nicholas F. Kepple, Esq.
Email: nkepple@sswbgg.com

If to Purchaser: LEARN
44 Hatchetts Hill Road
Old Lyme, CT 06371
Attn.: Katherine Ericson, Executive Director
Email: kericson@learn.k12.ct.us

With copy to: Shipman & Goodwin LLP
265 Church Street, Suite 1207
New Haven, CT 06510
Attn.: Gregory P. Muccilli, Esq.
Email: gmuccilli@goodwin.com

or in each case to such other address as either party may from time to time designate by giving notice in writing pursuant to this Section 11 to the other party. Effective notice will be deemed given only as provided above, except as otherwise expressly provided in this Agreement. Counsel for a party may give notice to the other party with the same effect as if given by a party.

12. MISCELLANEOUS.

12.1. Entire Agreement. This Agreement, together with the schedules and exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all previous agreements, written or oral, between the parties hereto and affecting the Premises, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties. The recitals set forth above are hereby incorporated herein.

12.2. Severability. If any provision of this Agreement or its application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

12.3. Applicable Law. The validity, interpretation and performance of this Agreement shall be controlled and construed under the laws of the State of Connecticut without regard to conflicts of laws principles, and the state or federal district courts located in or having jurisdiction over New London County, Connecticut, shall have exclusive jurisdiction over any legal action concerning or relating to this Agreement.

12.4. Assignability. Purchaser may not directly or indirectly assign or transfer any of Purchaser's rights, obligations and interests under this Agreement, to any person or entity without the prior written consent or approval of Seller, which consent may be given in Seller's sole and absolute discretion. Notwithstanding the foregoing, Purchaser shall have the right to assign its rights under this Agreement to an entity wholly owned and controlled by Purchaser or to any successor governmental or quasi-governmental entity as determined by the Connecticut General Assembly without the consent of Seller. In the event Purchaser intends to assign its rights hereunder, whether or not Seller's consent is required pursuant to the terms hereof, (a) Purchaser shall send Seller written notice thereof at least five (5) business days prior to Closing, which notice shall include the legal name of the proposed assignee, and (b) Purchaser and the proposed assignee shall execute an assignment and assumption of this Agreement in form and substance reasonably satisfactory to Seller.

12.5. Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective successors and permitted assigns as more particularly set forth in this Agreement.

12.6. Captions and Interpretation. The captions and headings in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement shall include the corresponding feminine, masculine, or neuter forms, and the singular shall include the plural and vice versa. Unless the context expressly indicates otherwise, all references to "Section" are to sections of this Agreement.

12.7. No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns.

12.8. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute a single instrument.

12.9. Proper Execution. This Agreement shall have no binding force and effect on either party unless and until both Purchaser and Seller shall have executed and delivered this Agreement. In no event shall this Agreement be construed more strongly against any one person solely because such person acted as draftsman hereof, it being acknowledged by the parties hereto that both have been represented by competent legal counsel, that this Agreement has been subject to substantial negotiation, and that all parties have contributed substantially to the preparation of this Agreement.

12.10. Waiver. No waiver of any breach of any agreement or provision contained herein shall be deemed a waiver of any preceding or succeeding breach of any other agreement or provision herein contained. No extension of time for the performance of any obligation or act shall be deemed an extension of time for the performance of any other obligation or act. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

12.11. Business Days. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday, the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term "Legal Holiday" shall mean any local or federal holiday on which post offices are closed in Connecticut.

12.12. Waiver of Jury Trial. To the fullest extent permitted by applicable law, the parties each hereby knowingly, voluntarily and intentionally waive any right (whether arising under the Constitution of the United States or that of the State of Connecticut or any other state, or under any foreign jurisdiction, under any statutes regarding or rules of civil procedure applicable in any state, federal, or foreign legal proceeding, under common law, or otherwise) to demand or have a trial by jury of any claim, demand, action or cause of action arising under this Agreement or in any way connected with or related to or incidental to the discussions, dealings, or actions of such persons or any of them (whether oral or written) with respect thereto, or to the transactions related thereto, in each case whether now existing or hereafter arising, and whether sounding in contract, tort or otherwise; and each party agrees and consents that any such claim, demand, action or cause of action shall be decided by trial court without a jury, and that any other party to this Agreement may file an original counterpart or a copy of this Agreement with any court as written evidence of such waiver of right to trial by jury. The parties acknowledge and agree that they have received full and sufficient consideration for this provision (and each other provision of each other related document to which they are a party) and that this provision is a material inducement for the Seller's accepting this Agreement. By waiving a jury trial, the parties intend claims and disputes to be resolved by a judge acting without a jury to avoid the delays, expenses and risks of mistaken interpretations which each party acknowledges to be greater with jury trials than with non-jury trials.

12.13. Prohibited Persons and Transactions. Purchaser represents and warrants to Purchaser's knowledge: (a) Purchaser is not a Prohibited Person (defined below); (b) none of its investors, affiliates or brokers or other agents (if any), acting or benefiting in any capacity in connection with this Agreement is a Prohibited Person; (c) the funds or other assets Purchaser will transfer to Seller under this Agreement are not the property of, or beneficially owned,

9.10
w

directly or indirectly, by a Prohibited Person; and (d) the funds or other assets Purchaser will transfer to Seller under this Agreement are not the proceeds of specified unlawful activity as defined by 18 U.S.C. § 1956(c)(7). “**Prohibited Person**” means any of the following: (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the “**Executive Order**”); (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a “specially designated national” or “blocked person” on the most current list published by the U.S. Treasury Department’s Office of Foreign Assets Control (“**OFAC**”) at its official website, <http://www.treas.gov/offices/enforcement/ofac>; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (v) a person or entity that is affiliated with any person or entity identified in clause (i), (ii), (iii) and/or (iv) above. The foregoing representations shall survive Closing and the delivery of the Boundary Line Agreement and the Deed and any termination of this Agreement.

12.14. No Third-Party Beneficiaries. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Purchaser only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

12.15. Warranty of Signers. Each of Seller and Purchaser represent and warrant to the other that the individual executing and delivering this Agreement on behalf of such party has been duly authorized and empowered to make such execution and delivery.

[SIGNATURE PAGES FOLLOW]

9-10
2

Schedule A

Town Property

A certain tract of land situated in the Town of Waterford, County of New London and State of Connecticut, delineated as "19.96 acres to be conveyed to Town of Waterford" on a Plan on file in the Land Records of said Town of Waterford, entitled "Plan of tract of land on Daniels Avenue, Town of Waterford, Conn. to be conveyed to Town of Waterford, Scale 1" = 100', Aug. 1956, Ernest L. Deshefy, Surveyor, New London, Conn.", bounded and described as follows:

Beginning at a point marked by a merestone in the southerly line of Daniels Avenue, which point is one hundred (100) feet distant from the easterly line of High Street as measured along the southerly line of Daniels Avenue, and is the northeasterly corner of land of Lester H. Knox and Marion E. Knox, thence running southerly by and along land of said Knox, land of Vivian Brewer Marks, land of Andrew A. Frausini and Angelina T Frausini, land of Edgar B. Russ and Donald B. Perry, land of Arthur J. Perry, Jr., and other land of these Grantors, in a straight line, one thousand four hundred (1400) feet, more or less, to a merestone at a stone wall; thence running easterly with said stone wall and its prolongation, six hundred (600) feet, more or less, by and along other land of these Grantors, to another merestone; thence running northerly, by and along other land of these Grantors, in a straight line parallel with and six hundred (600) feet distant at right angles from the first described line, one thousand four hundred (1400) feet, more or less, to another merestone; thence running northwesterly with an interior angle of one hundred thirty-five (135) degrees, by and along other land of these Grantors, one hundred ninety-five (195) feet, more or less, to a drill mark on the ledge in the southerly line of Daniels Avenue; thence running westerly, by and along the southerly line of Daniels Avenue, four hundred ninety (490) feet, more or less, to the point of beginning; containing 19.96 acres.

9.10₂₁

Schedule B

Property

